

FISCAL YEAR 2007-08 BUDGET PLAN

I. EXECUTIVE SUMMARY

- A. Agency Section/Code/Name: **5KB/H29/ USC Aiken**
- B. Statewide Mission (excerpt): **Founded in 1961, the University of South Carolina Aiken (USCA) is a comprehensive liberal arts institution committed to active learning through excellence in teaching, faculty and student scholarship, research, creative activities and service. The university offers degrees in the arts and sciences and in the professional disciplines of business, education, and nursing. All courses of study are grounded in a liberal arts and sciences core curriculum. Located in beautiful, historic Aiken, South Carolina, USCA is an institution of moderate size (2,500-5,000 students) that offers baccalaureate degrees in a number of disciplines, completion baccalaureate degrees at University of South Carolina regional campuses, and master's degrees in selected programs.**
- C. Summary Description of Strategic or Long-Term Goals:
- (1) **Emphasize excellence in teaching and collaborative learning experiences, stressing the connections between the liberal arts and professional based courses.**
- (2) **Sustain a strong academic support system for all students and offer quality curricular and co-curricular programs that prepare students to be citizen leaders and effective participants and contributors in a dynamic global society.**
- (3) **Maintain a moderately-sized campus where students can expect an optimal faculty-student ratio and individual attention.**
- (4) **Encourage integrity, honesty, and accountability, and foster responsible citizenship and working for the common good.**

D.

[illegible]

Summary of Operating Budget Priorities for FY 2007-08:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 2	Title: Investment in Quality Outcomes	0	648,018	0	0	\$648,018	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above (if applicable): 1,2,3 Activity Number & Name: 482-485 Instruction, 494 Operations & Maintenance										
Priority No.: 3	Title: Other Funded FTEs	0	0	0	816,300	\$816,300	0	0	14.5	14.50
Strategic Goal No. Referenced in Item C Above (if applicable): Activity Number & Name: 482-485 Instruction, 492 Academic Support, 493 Student Services										
TOTAL OF ALL PRIORITIES		\$ 0	\$1,247,255	\$ 0	\$816,300	\$2,063,555	0.00	0.00	14.50	14.50

E. Agency Recurring Base Appropriation:

State \$ 10,021,979

Federal\$ 4,294,175

Other \$ 35,087,940

F. Efficiency Measures: **South Carolina Commission on Higher Education Performance Funding Rating for FY04-05:**

Achieves – 84% - 2.53 out of 3. (This is the last year that the South Carolina Commission on Higher Education provided this data.)

G.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.: 1	Project Name: New Academics Building Construction Activity Number & Name: 462 Operations & Maintenance	Project No*:	11,500,000	0	700,000	\$12,200,000
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$11,500,000	\$ 0	\$700,000	\$12,200,000

* If applicable

H. Number of Proviso Changes: **None**

I. Signature/Agency Contacts/Telephone Numbers:

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Budget Director
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II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: **5KB/H29/USC Aiken**

B. Priority No. **__1__ of __3__**

C. (1) Title: **Parity Funding**

(2) Summary Description: **USC Aiken's greatest need is for increased operating funds. Additional funds will be used to sustain optimal academic support for students and maintain an optimal faculty-student ratio. Reductions in State operating appropriations since 2000 have made it difficult to maintain quality programs and services.**

(3) Strategic Goal/Action Plan (*if applicable*): **Sustain strong academic support and optimal student-faculty ratio.**

D. Budget Program Number and Name: **Agency-wide**

E. Agency Activity Number and Name: **482,483,484, and 485 Instruction**

F. Detailed Justification for Funding

(1) Justification for Funding Increase: **The University of South Carolina Aiken is committed to providing our students a high quality education at a reasonable cost. Recurring operating funds are critical to maintaining and improving salaries for existing faculty and staff. The State of South Carolina's funding of higher education has not kept pace with our peer states. This lack of funding has caused USCA to severely limit program improvements for our students and increase tuition to keep pace with inflation and offset state appropriations reductions.**

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		\$599,237			\$599,237
Total	\$ 0	\$599,237	\$ 0	\$ 0	\$599,237
* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.					

B. Priority No. 2 of 3

C. (1) Title: **Investment in Quality Outcomes**

(2) Summary Description: **USC Aiken's greatest need is for increased operating funds. Additional funds will be used to sustain optimal academic support for students and maintain an optimal faculty-student ratio. Reductions in State operating appropriations since 2000 have made it difficult to maintain quality programs and services.**

(3) Strategic Goal/Action Plan (*if applicable*): **Sustain strong academic support and optimal student-faculty ratio.**

D. Budget Program Number and Name: **Agency-wide**

E. Agency Activity Number and Name: **482,483,484,485-Instruction and 494-Operations and Maintenance**

F. Detailed Justification for Funding

(1) Justification for Funding Increase: **There have been exceptionally high inflationary costs in the past two years, especially in utilities. A major new Convocation Center is opening in April 2007, which will increase the need for Operations and Maintenance funding by almost \$400,000 on an annual basis.**

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					

(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		\$648,018			\$648,018
Total	\$ 0	\$648,018	\$ 0	\$ 0	\$648,018
* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.					

(3) Base Appropriation:

State \$ **10,021,979**
Federal \$ **4,294,175**
Other \$ **35,087,940**

(4) Is this priority associated with a Capital Budget Priority? NO If yes, state Capital Budget Priority Number and Project Name: _____.

B. Priority No. 3 of 3

C. (1) Title: **Request for Other Funded FTE Positions**

(2) Summary Description: **Request for Other Funded FTE Positions**

(3) Strategic Goal/Action Plan (if applicable): **Sustain strong academic support and optimal faculty-student ratio.**

D. Budget Program Number and Name: **10010100 Education & General-Unrestricted**

E. Agency Activity Number and Name: **482, 483, 484, and 485-Instruction, 492 Academic Support, 493 Student Services**

F. Detailed Justification for Funding

(1) Justification for Funding Increase: **No state funds requested.**

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*				14.5	14.50
(b) Personal Service				625,000	\$625,000
(c) Employer Contributions				191,300	\$191,300
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses					\$ 0
Total	\$ 0	\$ 0	\$ 0	\$816,300	\$816,300
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$ 10,021,979
Federal	\$ 4,294,175
Other	\$ 35,087,940

(4) Is this priority associated with a Capital Budget Priority? NO If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: **There has been an increase in enrollment and in new degree programs over the past ten years averaging 2% per year in enrollment. Permanent faculty and staff have increased at less than half that amount. This increase in FTE is needed to maintain the student-faculty ratio and reduce the use of adjunct faculty as well as to increase staff positions to improve support services for students. In addition, new freshman enrollment is projected to increase by 10% for fall 2006. This will support the increase in overall enrollment as well as improve and maintain retention of faculty and students.**

(b) Future Impact on Operating Expenses or Facility Requirements: **Increased costs will be funded by other funds.**

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Assistant Professor					
(a) Number of FTEs			7.5		7.50
(b) Personal Service			450,000		\$450,000
(c) Employer Contributions			129,000		\$129,000

	State	Federal	Earmarked	Restricted	Total
Position Title: Student Services Program Coordinator I					
(a) Number of FTEs			4.0		4.00
(b) Personal Service			100,000		\$100,000
(c) Employer Contributions			35,600		\$35,600

	State	Federal	Earmarked	Restricted	Total
Position Title: Public Info Spec.					
(a) Number of FTEs			1.00		1.00
(b) Personal Service			25,000		\$25,000
(c) Employer Contributions			8,900		\$8,900

	State	Federal	Earmarked	Restricted	Total
Position Title: Admin Assistant					
(a) Number of FTEs			2.0		2.00
(b) Personal Service			50,000		\$50,000
(c) Employer Contributions			17,800		\$17,800

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State	155.88
Federal	9.62
Other	170.26

Agency-wide Vacant FTEs as of July 31, 2006: **32.0407**

% Vacant **9.5427%**

H. Other Comments: **The vacant FTE number is higher than normal because of 9-month faculty who will not be appointed until August 2006 for the AY 2007.**

The University of South Carolina system experienced the lowest tuition increase in several years, due largely to the support of the General Assembly by funding of the parity issue. If funding of higher education is reduced, the University's Board of Trustees as well as the governing boards of other institutions will be forced to consider a tuition increase to support operations.

The University of South Carolina strongly supports the South Carolina Commission on Higher Education's number one priority of increased investment in quality outcomes for higher education by increasing the recurring operating funds by \$45 million for all institutions. As institutions strive to meet the demands of a technologically driven society, recurring funding for operations will assist institutions in meeting these challenges and keep tuition increases to a minimum.

III. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES

- A. Agency Section/Code/Name: **5KB/H29/USC Aiken**
- B. Priority No. **__1__ of __1__**
- C. Strategic Goal/Action Plan (*if applicable*):
 - (1) **Emphasize excellence in teaching and collaborative learning experiences, stressing the connections between the liberal arts and professional based courses.**
 - (2) **Sustain a strong academic support system for all students and offer quality curricular and co-curricular programs that prepare students to be a citizen leaders and effective participants and contributors in a dynamic global society.**
- D. Project Name and Number (*if applicable*): **New Academic Center**
- E. Agency Activity Number and Name: **482, 483, 484, 485 - Instruction – all areas**
- F. Description of Priority:

The purpose of this project is to address critical classroom and office needs for academic programs specifically in the area of humanities, social sciences and mathematics. The project would include construction of a 50,000 square foot, 2.5 story academic building. Approximately 300 new parking spaces would be added and existing power lines and storm water drainage systems would be relocated. Occupants of the new building are the departments of English, Foreign Languages and Mathematics, freeing up space for other academic programs in both the Humanities and Social Sciences Building and the Penland Building. The new structure would also house an Academic Success Center comprised of teaching and learning labs, tutorial spaces and academic support offices. The total projected cost is \$12,200,000.
- G. Detailed Justification for Funding
 - (1) Justification for Funding Priority:

Based on CHEMIS data published by the SCCHE (Fall 2003), USC Aiken has the highest classroom utilization rate among public 4-year institutions. Additionally, a comparison of the same institutions indicates that USCA has the second highest percentage of campus space being used for classroom instruction and academic support. While these standings clearly indicate an efficient use of space, they are also symptomatic of the growing need for an additional academic building. With enrollment growth projections of 1-2% annually, space demands are expected to intensify in the years to come. USCA has

an architectural feasibility in process that will give us a more accurate cost, potential general building design as well as a site plan.

(2)

Total Project Cost Estimates:	Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Total Project Cost*	\$11,500,000		\$700,000	\$12,200,000

* If additional annual operating costs from any source of funding are anticipated upon project completion please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.

H. Justification for First Year Additional Future Annual Operating Costs:

(1) Will additional annual operating costs be absorbed into your existing budget? Yes

If not, will additional state funds be needed in the future? _____

If state funds will not be needed in the future, explain the source(s) that will be used. _____

(2) First Fiscal Year Additional Annual Operating Costs Are Anticipated: 2009/10

Will this fiscal year require a partial or full year's operating funds? full

If a partial year's funds are required, what portion of the year does it cover? _____

(3)

Additional Annual Operating Cost Details:	State Non-Recurring	State Recurring	Federal	Other	Total
Total Costs:					
(a) Number of FTEs				3.00	3.00
(b) Total Personnel Costs				\$70,000	\$ \$70,000
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs				\$110,000	\$110,000
Total	\$ 0	\$ 0	\$ 0	\$180,000	\$180,000

I. Justification for First Full Year Additional Future Annual Operating Costs (*If Section H above represents a full year's operating funds, do not complete this section.*)

(1) Will additional annual operating costs be absorbed into your existing budget? _____

If not, will additional state funds be needed in the future? _____

If state funds will not be needed in the future, explain the source(s) that will be used. _____

(2) First Full Fiscal Year Additional Annual Operating Costs Are Anticipated: _____

(3)

Additional Annual Operating Cost Details:	State Non-Recurring	State Recurring	Federal	Other	Total
Total Costs:					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

J. Other Comments: **NONE**

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: **5KB/H29/UNIVERSITY OF SOUTH CAROLINA AIKEN**
- B. Agency Activity Number and Name:
- C. Explanation of Cost Savings Initiative: **For fiscal year 2007, the General Assembly took a significant step in funding higher education with the allocation of non-recurring funds to address parity issues as well as the funding provided for the recruitment of faculty at the research institutions. With these additional funds, the USC Board of Trustees held the FY2007 tuition increase to the lowest percentage increase in several years.**
- D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds				\$ 0
Other Operating Expenses				\$ 0
Total	\$ 200,440	\$ 0	\$ 0	\$200,440

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
If the USC campuses are required to meet a “cost savings” of state appropriated funds in FY2008, a reduction in force plan will be developed and submitted to the South Carolina Office of Human Resources in compliance with regulations established by the

Budget and Control Board. The University’s Board of Trustees may consider other alternatives if a “cost savings” is implemented. The University of South Carolina system has met the challenges of increasing operating costs during a time of dwindling state funding by employing strategic cost savings and prioritization of activities.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
TOTAL OF ALL INITIATIVES	\$ 200,440	\$ 0	\$ 0	\$ 200,440	0.00	0.00	0.00	0.00

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: **5KB/H29/UNIVERSITY OF SOUTH CAROLINA AIKEN**
- B. Agency Activity Number and Name:
- C. Explanation of Lowest Priority Status: **It is a difficult, if not impossible task to identify the lowest priority activities of the University of South Carolina's campuses since each activity directly supports the mission of teaching, research and public service. The activities reported in the Agency Activity Inventory are based on expenditure classifications established by the National Association of College and University Business Officers (NACUBO) and are standard across higher education. These classifications identify all critical and necessary components of an institutions mission and are not separable. As such, we feel all of our activities are critical to fulfilling the mission of our University.**

- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$0	\$ 0

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

F.

Summary of Priority Assessment of Activities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
TOTAL OF LOWEST PRIORITIES	\$ 0	\$ 0	\$ 0	\$ 0	\$0	\$0	0.00